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World Trade Organization: The Hong Kong Ministerial

The sixth WTO Ministerial Conference was held in Hong Kong, China, December 13-18, 2005. After six days of negotiation, ministers from the WTO's 149 Member governments reached a deal to put the Doha Round trade talks "back on track." The Hong Kong Ministerial Conference did establish 2013 as the end-date for eliminating agricultural export subsidies, contingent "upon the completion of the modalities."

The disciplines on export credits, export credit guarantees or insurance programs, exporting state trading enterprises and food aid will be completed by April 30, 2006 as part of the modalities.

Domestic farm subsidies are to be classified in three bands for the purposes of reductions in the Final Bound Total AMS (Aggregate Measure of Support). The Member with the highest level of permitted subsidy (the EU) will be in the top band. The Members with the second and third highest levels of support (the US and Japan) will be in the middle band and all other Members would fall in the bottom band.

The final Declaration allows developing countries to self-designate an appropriate number of tariff lines as Special Products (SPs) guided by indicators based on the criteria of food security, livelihood security and rural development. They would also have recourse to a Special Safeguard Mechanism (SSM) to protect farmers from a surge in imports or a collapse in import prices.

Members had been prepared to make concrete, but conditional, proposals on the number of sensitive products. But proposals ranged from as little as 1% to as much as 15% of tariff lines. It was also proposed (but not discussed with Members as a whole) that a developing country Member should have the right to designate at least 20% of its agricultural tariff lines as Special Products.

In 2004, 43 WTO members had a combined total of 1,425 tariff quotas in their commitments.

Country	TRQs	Country	TRQs	Country	TRQs
Australia	2	El Salvador	11	Nicaragua	9
Barbados	36	EU	87	Norway	232
Brazil	2	Guatemala	22	Panama	19
Bulgaria	73	Hungary	70	Philippines	14
Canada	21	Iceland	90	Poland	109
Chile	1	Indonesia	2	Romania	12
China	10	Japan	20	Slovak Rep	24
Chinese Taipei	22	Korea	67	Slovenia	20
Colombia	67	Latvia	4	South Africa	53
Costa Rica	27	Lithuania	4	Switzerland	28
Croatia	9	Malaysia	19	Thailand	23
Czech Rep.	27	Mexico	11	Tunisia	13
Dominican Rep	8	Morocco	16	U.S.	54
Ecuador	14	New Zealand	3	Venezuela	61
Israel	12				

Source: World Trade Organization, Bridges Daily Update www.ictsd.org, CRS Report for Congress

U.S. Exports of Spent Hens to Selected Countries in metric tons

	January - December			Jan-Oct	
	2002	2003	2004	2004	2005
Fresh/Chilled					
Canada	31,057	12,484	15,689	14,790	8,280
Leeward-Windward Islands	1,093	1,768	2,233	2,058	1,196
Frozen					
Russia	16,502	3,262	30,628	30,180	98
Guatemala	445	4,438	6,633	5,465	5,625
Haiti	463	556	1,351	735	1,758
Bahamas	387	882	1,346	1,139	695
Canada	817	482	1,012	999	197
Cuba	193	0	567	307	1,056
Romania	1,114	1,535	202	202	1,038

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

Saudi Arabia

Saudi Arabia's poultry meat production (mainly broiler meat) is forecast to reach 490,000 metric tons (MT) in 2006, an increase of two percent compared to the expected 2005 level of 480,000 metric tons. According to the Ministry of Agriculture (MOA) and poultry farmers, the expected increase is based on the continued expansion of existing producers, and the expected operation of newly licensed poultry farms. Poultry meat imports for 2006 are expected to reach about 440,000 MT, a two percent increase compared to the current year.

According to local importers, Brazilian frozen broiler meat exports this year are expected to increase by at least 10 percent compared to the 2004 export level of 333,223 MT. The Kingdom's ban on Chinese poultry and the strength of the Euro compared to the U.S. dollar are two factors. France, the second largest broiler meat exporter to the Kingdom, is expected to lose significant market share to Brazil this year compared to last year. In 2004, France exported 82,981 metric tons of frozen broiler meat to the Kingdom.

The C&F prices of Brazilian frozen poultry meat exports to the Kingdom have begun to decrease from high of \$1,490 per MT in November 2005 (highest price ever reported) to \$1,450 MT in December 2005, a decrease of about 3 percent. A further \$30 to \$50 decrease in Brazilian broiler meat prices is expected in January/February 2006 due to higher stocks of frozen meat available in the Saudi market, contributing to a lower demand and increased offers by Brazilian exporters to supply at more competitive rates. Major Saudi broiler meat importers claim that Brazilian exporters are currently holding higher than normal stocks, which they want to reduce, due to some difficulties they are facing in exporting to Iraq and Iran.

Source: USDA/FAS

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending December 24, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Liquid	353	355	17,395	20,539
Frozen	0	0	130	39
Dried	0	0	862	913
Total	353	355	18,387	21,491

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending December 24, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Liquid	44	111	6,519	7,689
Frozen	5	9	823	1,608
Dried	0	36	371	2,149
Total	49	156	7,713	11,446

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending December 24, 2005	Year-To-Date			
TYPE	2005	2004 1/	2005 2/	2004
Jumbo	0	0	200	392
Extra Large	3,150	4,480	186,391	232,566
Large	6,990	7,920	312,446	475,623
Medium	0	2,969	100,007	142,091
Ungraded	0	2,456	232,678	340,611
Misc	0	0	9,753	17,740
Total	10,140	17,825	841,475	1,209,023

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News Branch.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

Jan 06, 2006

CHICKEN WITH SKIN ADDED

--- PRICES ---		---- VOLUME ----		
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	20.00	20,400	-
WTD AVERAGE		20.00		
15-20%				
RANGE	16.00-21.00	10.00-19.00	1,689,200	367,200
WTD AVERAGE	19.00	14.16		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

U.S./Canadian Live Poultry Slaughtered Under Inspection

W/E 24-Dec-05 (PRELIMINARY)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,472	1,297	2,769
Last Week	1,404	1,488	2,892
Same week yr ago	1,102	1,175	2,277
To-date/2005	72,508	72,143	144,651
To-date/2004	69,513	69,222	138,735

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	244	2	246
Last Week	142	0	142
Same week yr ago	174	11	185
To-date/2005	12,810	68	12,878
To-date/2004	12,639	158	12,797

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Total U.S. Fowl slaughtered in the U.S. and Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,716	1,299	3,015
Last Week	1,546	1,488	3,034
Same week yr ago	1,276	1,186	2,462
To-date/2005	85,318	72,211	157,529
To-date/2004	82,152	69,380	151,532

Source: USDA/AMS Poultry Programs, Market News Branch

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

Jan 06, 2006

CHICKEN WITH SKIN ADDED

--- PRICES ---		---- VOLUME ----		
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	17.00-18.00	480,000	-
WTD AVERAGE		17.33		
15-20%				
RANGE	17.00-21.00	14.00-16.00	1,952,000	1,352,000
WTD AVERAGE	19.20	15.00		
20% OR MORE				
RANGE	-	14.00	120,000	-
WTD AVERAGE		14.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 6 JANUARY 2006.

The market tone on white meat was steady to weak. Demand light to moderate with the best interest noted on breast trim and scapula. Some have noted a better demand on destrapped tenderloins than breast meat. Offerings adequate to burdensome. The market tone on fresh -20% mechanically separated turkey (MST) was steady to fully steady for next week's shipments due in part to the short processing schedules this week, frozen cautiously steady to steady. The market tone on thigh meat was mostly steady. Demand and offerings light. The market tone on institutional breasts was steady, 4-8 lb. breasts steady to barely steady. Demand light. Offerings light with spot availability noted on 4-8 lb. sizes. Domestic trading active on fresh MST, moderate on breast trim and scapula, balance slow. Export trading moderate on tom necks, balance slow. For domestic: fresh scapula 114-125, mostly 114-118; Grade A basted breasts - 8-10 lb. 135, 12-16 lb. 160 cents delivered. For export: tom necks 30, fresh thigh meat 97-98 cents delivered.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, JANUARY 06, 2006	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
DRUMSTICKS, TOMS		R	38.00	40	37.50	240
WINGS FULL-CUT - TOMS	28.00		28.00	80	28.00	80
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 4/						
THIGH MEAT - FROZEN	96.00		96.00	40	97.33	120

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, JANUARY 05, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	38.00		38.00	40
WINGS FULL-CUT - TOMS		F	29.00	30
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN	98.00		98.00	80

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, JANUARY 04, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		T	37.40	200
WINGS FULL-CUT - TOMS		F	29.00	30
WINGS, V-TYPE, TOM				
TAILS		W	33.00	20
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN		R	95.00	40

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, JANUARY 03, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	37.00-38.00		37.40	200
WINGS FULL-CUT - TOMS		F	29.00	30
WINGS, V-TYPE, TOM				
TAILS		W	33.00	20
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN		R	95.00	40

MONDAY, JANUARY 02, 2006

NO EXPORT TRADING REPORTED DUE TO NEW YEARS DAY HOLIDAY.

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.